VZCZCXRO8156 RR RUEHIK RUEHPOD RUEHYG DE RUEHNT #0295/01 0670920 ZNR UUUUU ZZH R 070920Z MAR 08 FM AMEMBASSY TASHKENT TO RUEHC/SECSTATE WASHDC 9348 INFO RUEHZG/NATO EU COLLECTIVE RUEHKA/AMEMBASSY DHAKA 0254 RUEHIL/AMEMBASSY ISLAMABAD 4000 RUEHBUL/AMEMBASSY KABUL 2270 RUEHLM/AMEMBASSY COLOMBO 0273 RUEHKT/AMEMBASSY KATHMANDU 0317 RUEHNE/AMEMBASSY NEW DELHI 0946 RUEHTA/AMEMBASSY ASTANA 0018 RUEHAH/AMEMBASSY ASHGABAT 3804 RUEHEK/AMEMBASSY BISHKEK 4420 RUEHDBU/AMEMBASSY DUSHANBE 0298 RHEFDIA/DIA WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHINGTON DC RUEHRC/DEPT OF AGRICULTURE WASHDC RUCPDOC/DEPT OF COMMERCE WASHDC RUEHC/DEPT OF LABOR WASHDC RUEATRS/DEPT OF TREASURY WASHDC

UNCLAS SECTION 01 OF 02 TASHKENT 000295

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SENSITIVE STPDIS

E.O. 12958: N/A

TAGS: <u>ECON ELAB ETRD KIPR PGOV PREL SOCI UZ</u> SUBJECT: UZBEKISTAN GSP DEMARCHE DELIVERED

11. (SBU) Over the past five weeks, post has demarched Uzbek officials from relevant ministries on the concerns raised ref 1C. We have informed Uzbek officials in the Ministries of Foreign Economic Relations and Foreign Affairs, as well as in the Republican Copyright Agency, of the impending June 30 deadline for a recommendation by U.S. authorities on disposition of outstanding petitions related the the Generalized System of Preferences (GSP) program's application to Uzbekistan.

Intellectual Property Rights (IPR) protection

- 12. (SBU) On IPR protection, Uzbek officials have consistently underscored their objections to removing the Uzbek reservation to Berne Convention Article 18 at this time. They have further narrowed the precise grounds of their objections: the Copyright Agency maintains that Article 18 would require Uzbekistan to destroy cultural products that might be subject retroactively to copyright protections (e.g., Soviet era works derived from protected Western works). The Copyright Agency also maintains that Uzbekistan plans to pursue WTO membership and will, as a matter of course, eventually withdraw its reservation.
- 13. (SBU) As reported ref A, the Uzbeks have made modest progress on IPR enforcement under the terms of an IPR law passed in 2006.

Cotton sector child labor

14. (SBU) On the child labor petition, both UNICEF and the ILO operate in Uzbekistan and have presented post with a mixed picture. On the one hand, both organizations tell us the problem does not appear to be as widespread as some European activists have recently claimed (ref B). On the other hand,

UNICEF believes that the use of child labor has increased as a direct result of cotton sector market reforms (note: reforms advocated by international and local specialists. End note). This explanation was echoed recently by an AMCIT involved in cotton ginning and seed production here. Both UNICEF and ILO share our assessment that the Uzbeks would be well advised to ratify ILO 182 and to generally increase transparency on compliance with their international commitments. UNICEF tells us that the Uzbek Government recently approached both ILO and it for advice on dealing with the growing international attention on this issue. UNICEF considers this significant and has offered the GOU recommendations, which the UNICEF Country Director tells us the Uzbek Government is evaluating.

15. (SBU) Post advises Washington agencies to solicit the views of the AMCIT executive director of the International Cotton Advisory Council, a public international organization to which both Uzbekistan and the U.S. belong. ICAC's website is www.icac.org, and their secretariat can be reached at secretariat@icac.org or 202-463-6660.

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Post recommendations

16. (SBU) In ref A (Special 301 report), post recommended that GSP priveleges not be withdrawn. We repeat that recommendation. Ref A focused on IPR concerns. Uzbek arguments aside, the GOU is making modest progress. Perhaps significantly, a senior Uzbek cleric told us recently how he actually raised IPR protection in one of his sermons at Tashkent's central mosque. He was upset that his own books

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were being reproduced illegally. He noted that several senior Government officials were in attendance and that a well-publicized raid on a music store chain was conducted shortly thereafter. Though not your run-of-the-mill story, it follows closely the experience of many other countries: when a local demand for protection of domestic works arises, governments have a tendency to begin enforcing rights of foreign producers as well.

17. (SBU) Post recommendation, continued: The child labor contentions seem to us insufficiently developed to pursue through the GSP petition process at this time. We recommend that this petition be extended for another year.

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